

**From:** Aaron Hall  
**To:** Microsoft ATR  
**Date:** 1/23/02 2:30pm  
**Subject:** Microsoft Settlement

To whom it may concern:

As a computer professional who works primarily with personal computers and low-end servers, I have severe reservations about the proposed DOJ settlement with Microsoft.

The defining characteristic of Microsoft's behavior has been that the company is able to structure products and agreements to lock customers in, in a way that they simply would not dare to do (or even be able to), if they did not have the advantage of a virtual monopoly.

For example, Microsoft has recently introduced new licensing schemes for large installations, called "Volume Licensing 6.0" and "Software Assurance". These are, essentially, subscription plans for software. Rather than paying for one license which is good indefinitely, Microsoft seeks to require one to renew the license annually. Estimates I've heard suggest that this would raise the average cost of software 25 to 30 percent, over the time a standard license would generally be in use.

There is a way to receive discounts, called an "Enterprise Agreement". To receive discounts, a company must agree not to use any competitive products! In order to make software upgrades affordable in the short term, a company essentially gives up any real method of transitioning away from Microsoft in the long term. This could have a devastating effect on Microsoft's competitors.

This, to me, is what anti-trust codes are supposed to prevent. Microsoft is using its monopoly position to dictate terms to its customers. (The above is just one technique. I'm sure you are hearing of many others.) It is brazenly coercing customers into abandoning any other options.

I am very concerned that the current proposed settlement does not impose any real penalty on Microsoft for past and current actions such as this, and doesn't implement more than trivial safeguards against it happening again. Microsoft obviously does not take seriously the current actions against it, to be acting in such a manner as this while settlement proceedings continue.

I believe that Microsoft's monopoly advantage will serve as insulation against even the government's attempts to curb its illegal behavior, unless the DOJ implements restrictions that fundamentally change the way Microsoft does business, at least temporarily. Others can speak to specific methods far better than I.

Without significant change, I fear that Microsoft will continue to be able to force restrictions on individuals and businesses alike, and there will be very little the rest of the market (or their customers) can do to stop them.

Please take this into consideration.

Sincerely,  
Aaron Hall

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